REMARKS/ARGUMENTS

Favorable reconsideration of this application in light of the following discussion is respectfully requested.

Claims 1-16, 24, 25, 27, and 30-32 are pending in this case.

In the outstanding Official Action, Claim 30 was rejected under 35 U.S.C. §103(a) as unpatentable over Klosterman (U.S. Patent No. 6,453,471) in view of Marshall et al. (U.S. Patent No. 6,419,137, hereinafter "Marshall"), Arazi et al. (U.S. Patent No. 5,966,120, hereinafter "Arazi") and Kenner et al. (U.S. Patent No. 6,269,394, hereinafter "Kenner"); Claims 31 and 32 were rejected under 35 U.S.C. §103(a) as unpatentable over Klosterman in view of Marshall, Arazi, and Kenner and further in view of Connelly (U.S. Patent No. 7,284,261); Claims 1, 2, 6, 9-11, 13, and 25 were rejected under 35 U.S.C. §103(a) as unpatentable over Klosterman in view of Marshall and Arazi and further in view of Connelly; Claim 3 was rejected under 35 U.S.C. §103(a) as unpatentable over Klosterman in view of Marshall, Arazi, and Connelly and further in view of Hölzle et al. (U.S. Patent No. 5,970,249, hereinafter "Hölzle"); Claims 4 and 5 were rejected under 35 U.S.C. §103(a) as unpatentable over Klosterman in view of Marshall, Arazi, and Connelly and further in view of Winston (U.S. Patent No. 6,434,653); Claim 7 was rejected under 35 U.S.C. §103(a) as unpatentable over Klosterman in view of Marshall, Arazi, and Connelly and further in view of Russo (U.S. Patent No. 5,619,247); Claim 8 was rejected under 35 U.S.C. §103(a) as unpatentable over Klosterman in view of Marshall, Arazi, and Connelly and further in view of Kostreski et al. (U.S. Patent No. 5,729,549, hereinafter "Kostreski"); Claims 12 and 24 were rejected under 35 U.S.C. §103(a) as unpatentable over Klosterman in view of Marshall, Arazi, and Connelly and further in view of Trovato (U.S. Patent No. 6,701,526); and Claims 14-16 were rejected under 35 U.S.C. §103(a) as unpatentable over Klosterman in view of Marshall, Arazi, and

Connelly and further in view of Inoue et al. (U.S. Patent Publication No. 2002/0016963 A1, hereinafter "Inoue").

With regard to the rejection of Claim 1 under 35 U.S.C. §103(a) as unpatentable over Klosterman in view of Marshall, Arazi, and Connelly, that rejection is respectfully traversed.

The present application claims priority from United Kingdom Patent Application No. 9918284.2, filed August 3, 1999. A certified copy of the priority document, written in English, was filed November 10, 2000. Accordingly, the filing of the certified copy of the priority document perfects the claim to priority to United Kingdom Patent Application No. 9918284.2 under 35 U.S.C. §119. Since the filing date of United Kingdom Patent Application No. 9918284.2, August 3, 1999, predates the filing date of Connelly, October 5, 1999, Connelly does not qualify as prior art against the present application under 35 U.S.C. §102. Therefore, all rejections based on Connelly are believed to be overcome.

Consequently, Claim 1 (and Claims 2-16, 24, 25, 27, and 32 dependent therefrom) is patentable over the cited references.

With regard to the rejection of Claim 30 under 35 U.S.C. §103(a) as unpatentable over Klosterman in view of Marshall, Arazi, and Kenner, that rejection is respectfully traversed.

Claim 30 recites in part:

> a broadcast headend configured to update the plurality of digital audio/video data sets with a priority determined from demand for each set;
>
> a transmitter configured to transmit to the broadcast headend an identity of each user selected set such that the broadcast headend can determine demand for each set.

The outstanding Office Action cites Kenner as describing these features.[1] However, Kenner does ***not*** describe a broadcast system including a broadcast headend as defined in Claim 30, but instead describes an Internet-based content distribution system where some

[1]See the outstanding Office Action at page 10, lines 1-12.

clips are stored in a local search and retrieval unit (SRU) 18. The local SRU 18 determines which clips are downloaded by user terminal 14 most often, and stores the most popular clips. All the clips are stored in a remote SRU 26. Thus, all the clips are always available to user terminal 14; internal storage by local SRU 18 simply decreases the transmission time to user terminal 14. Therefore, Kenner does not describe "a broadcast headend configured to ***update the plurality of digital audio/video data sets*** with a priority determined from demand for each set," as all the data is always available for the user terminal 14. Consequently, as the proposed combination does not teach or suggest "a headend" as defined in amended Claim 30, Claim 30 (and Claim 31 dependent therefrom) is also patentable over Klosterman in view of Marshall, Arazi, and Kenner.

Finally, as noted above, Connelly does not qualify as prior art against the present application under 35 U.S.C. §102. Therefore, Claim 31 is patentable over the cited references.

Accordingly, the outstanding rejections are traversed and the pending claims are believed to be in condition for formal allowance. An early and favorable action to that effect is, therefore, respectfully requested.

Respectfully submitted,

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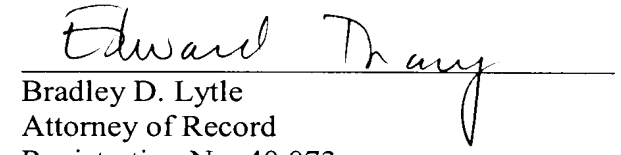

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